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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

This report contains 25 pages.
Exhibit Index begins on page 23.

FORM 10-Q

(Mark One)
(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

P92-2228

For the quarterly period ended March 31, 1992

OR

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File No. 0-15828

15 1992

FIRST NATIONAL BANK CORP.

(Exact name of registrant as specified in its charter)

Delaware	38-2711692
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
18800 Mall Road, Mount Clemens, MI	48044
(Address of principal executive offices)	(Zip Code)

(313) 465-2400

(Registrant's telephone number, including area code)

No change since last report

(Former name, former address and former fiscal year, if changed since last report)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date.

Class	Outstanding at April 30, 1992
Common Stock, $3.125 Par Value	1,262,770 Shares

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FIRST NATIONAL BANK CORP.
FORM 10-Q (continued)
Part I - FINANCIAL INFORMATION

Item 1. Financial Statements

Reference is made to the 1992 First Quarter Stockholders' Report, which is attached hereto as Exhibit (20), and incorporated by reference herein. This includes the Consolidated Balance Sheets as of March 31, 1992, December 31, 1991 and March 31, 1991 and Consolidated Statements of Income for the Three Months Ended March 31, 1992 and 1991.

First National Bank Corp. ("FNB Corp.") Consolidated Statement of Changes in Stockholders' Equity

	Three Months Ended March 31,	
	1992	1991
	(in thousands)	
Common Stock:		
Balance, beginning of period	$3,811	$3,777
Conversion of debentures	48	----
Stock dividend (1)	45	----
Balance, end of period	3,904	3,777
Surplus:		
Balance, beginning of period	9,561	9,159
Conversion of debentures	266	----
Stock dividend (1)	276	----
Balance, end of period	10,103	9,159
Retained Earnings:		
Balance, beginning of period	14,718	13,598
Net income	744	723
Cash dividends ($.24 per share in 1992, .18 per share in 1991)	(297)	(229)
Stock dividend (1) (2)	(1,295)	(971)
ESOP loan guarantee	37	28
Balance, end of period	13,907	13,149
Treasury Stock:		
Balance, beginning of period	(583)	(1,016)
Purchase of common shares (3)	(391)	(56)
Stock dividend (1) (2)	974	971
Balance, end of period	----	(101)
Total Stockholders' Equity, end of period	$27,914	$25,984

(1) On March 25, 1992, the Board of Directors of FNB Corp. declared a 5% stock dividend to shareholders of record on April 15, 1992, payable May 6, 1992.

(2) On March 27, 1991, the Board of Directors of FNB Corp. declared a 5% stock dividend to shareholders of record on April 17, 1991, payable May 15, 1991.

(3) FNB Corp. purchased 17,000 shares of its common stock in 1992 at an average price of $23.00 per share.

10-Q2\cashflow

FIRST NATIONAL BANK CORP.

CONSOLIDATED STATEMENTS OF CASH FLOW

	For the three months ended March 31	
	1992	1991
Operating Activities:		
Net income	$743,508	$723,142
Adjustments to reconcile net income to net cash used in operating activities:		
Provision for loan and lease losses	400,000	325,000
Depreciation expense	295,800	239,500
Gain on sale of land	----	(205,894)
Amortisation of investment security premiums	109,712	175,706
Net investment security gains	(82,556)	(3,988)
Increase in interest receivable	(509,608)	(857,367)
Decrease in interest payable	(309,054)	(245,436)
Increase in other assets	(1,003,832)	(392,165)
Decrease in other liabilities	(65,066)	(3,201)
Net Cash Used in Operating Activities	(421,096)	(244,703)
Investing Activities:		
Proceeds from sales of investment securities	7,095,228	4,478,609
Proceeds from maturities of investment securities	1,274,678	1,738,086
Purchases of investment securities	(18,470,477)	(11,261,101)
Net decrease in residential real estate loans	3,568,488	332,849
Net increase in commercial loans	(6,411,478)	(5,248,814)
Net decrease in consumer loans	2,310,266	1,236,622
Net decrease in lease financing	55,184	30,530
Purchases of property and equipment	(715,758)	(1,276,313)
Sales of property and equipment	----	708,090
Net Cash Used in Investing Activities	(11,293,869)	(9,261,442)
Financing Activities:		
Net increase (decrease) in non-interest bearing demand deposits	885,437	(11,419,333)
Net increase in interest bearing demand deposits	5,817,742	2,790,754
Net increase in savings deposits	4,476,542	2,161,134
Net increase (decrease) in time deposits	(2,867,307)	13,978,138
Net decrease in short term borrowings	----	(155,006)
Cash dividends paid	(297,435)	(229,117)
Debenture conversions-fractional shares paid	(33)	----
Repurchase of debentures	----	(138,000)
Repurchase of common stock	(391,015)	(56,250)
Net Cash Provided by Financing Activities	7,623,931	6,932,320
Decrease in Cash and Cash Equivalents	(4,091,034)	(2,573,825)
Cash and Cash Equivalents at the Beginning of the Period	25,840,168	23,442,042
Cash and Cash Equivalents at the End of the Period	$21,749,134	$20,868,217

Item 2.
Management's Discussion and Analysis of Financial Condition and Results of Operations

(A) Analysis of Financial Condition

Total assets of FNB Corp. have increased by 1.9%, or $8.0 million, to $432.5 million at March 31, 1992, as compared to $424.5 million at December 31, 1991, and by 3.0%, or $12.8 million, over March 31, 1991.

During 1992, total investment securities were increased by 10.9%, or $10.1 million, to $102.5 million at March 31, 1992, from $92.4 million at December 31, 1991. Growth during this period came in the United States Treasury, and United States Government agency categories, which had increases of $5.2 million and $4.8 million, respectively. These purchases resulted primarily from a large increase in deposits, while loan demand growth was unusually slow.

The following table shows the carrying value of FNB Corp.'s investment portfolio as of the dates indicated. Investment securities are stated at cost, adjusted for amortization of premium and accretion of discount.

	March 31, 1992		
Type	Book Value	Market Value	$ Variance
	(in thousands)		
United States Treasury	$12,288	$12,450	$162
United States Government agencies	40,550	40,940	390
Municipal obligations	48,844	50,135	1,291
Other securities	781	782	1
Total Securities	$102,463	$104,307	$1,844

Type	December 31, 1991 Book Value	Market Value	$ Variance
	(in thousands)		
United States Treasury	$7,073	$7,327	$254
United States Government agencies	35,760	36,819	1,059
Municipal obligations	48,694	50,029	1,335
Other securities	863	860	(3)
Total Securities	$92,390	$95,035	$2,645

Type	March 31, 1991 Book Value	Market Value	$ Variance
	(in thousands)		
United States Treasury	$3,975	$4,047	$72
United States Government agencies	39,863	40,032	169
Municipal obligations	47,885	48,094	209
Other securities	1,233	1,230	(3)
Total Securities	$92,956	$93,403	$447

Total Loans and Lease Financing increased by only 0.1%, or $300,000, to $287.2 million during the three months ended March 31, 1992, and decreased by 0.8%, or $2.4 million, from March 31, 1991.

The following table sets forth the composition of the Bank's loan portfolio as of the dates indicated:

	March 31, 1992	March 31, 1991	Increase (Decrease)
	(in thousands)		
Types of Loans:			
Residential real estate	$59,938	$65,425	($5,487)
Commercial	168,467	153,977	14,490
Installment	58,515	69,751	(11,236)
Lease Financing	322	440	(118)
Total Loans	287,242	289,593	(2,351)
Allowance for loan and lease losses	4,307	3,801	506
Net Loans	$282,935	$285,792	($2,857)

Total residential real estate loans decreased by 5.6% or $3.6 million during the three months ended March 31, 1992, primarily due to a decrease in fixed rate loans of $2.4 million. During the twelve months ended March 31, 1992, residential real estate loans decreased by 8.4%, or $5.5 million, due to a large volume of prepayments on existing mortgages.

Total Commercial loans have increased by 3.9%, or $6.4 million, to $168.5 million at March 31, 1992 as compared to $162.1 million at December 31, 1991, and by 9.4%, or $14.5 million, over March 31, 1991. These increases were primarily in variable rate loans secured by Commercial Mortgages. Many of these loans are for working capital purposes, for which the Corporation has taken a mortgage as security on the loan.

Total installment loans decreased $2.4 million during the three months ended March 31, 1992 to $58.5 million, primarily due to a decrease in automobile and boat lending, as a result of the sluggish economy. During the twelve months ended March 31, 1992, installment loans decreased 16.1%, or $11.2 million, mostly due to the sale of the Corporation's credit card portfolio in November, 1991. These installment loan decreases were partially offset by a $1.3 million increase in equity line loans over the past year. These are revolving credit notes, which are secured by the borrower's principle residence. Tax legislation has contributed to their popularity as a tax-advantaged alternative to other types of installment borrowing.

Non-performing loans (which includes non-accrual loans and loans 90 days past due but still accruing) were 1.69% of total loans on March 31, 1992, compared to 1.48% at December 31, 1991, and 2.01% at March 31, 1991.

Included in non-accrual loans is a loan to a commercial borrower which filed Chapter 11 bankruptcy proceedings in December, 1990. This customer owed approximately $592,000 to the Bank, and the Bank holds mortgages on property with appraised values of approximately $550,000 as security. During the second quarter of 1991, the Small Business Administration honored their 90% guarantee on their portion of the loan, and paid $289,000 to the Bank. The remaining balance is currently $303,000. The customer, with court approval, has resumed making monthly interest payments, but the loan remains in non-accrual status. Unpaid interest in arrears on this loan was $15,000 as of March 31, 1992, while interest of $12,000 was collected during 1992. Management does not anticipate incurring any material losses on this loan.

In addition to non-performing loans, management placed a commercial loan for $2.3 million in other real estate on December 31, 1990, in accordance with accounting guidelines for "in-substance" foreclosure loans. The loan is for a commercial construction project on which the bank holds a mortgage. The property is being carried at the lower of the amount of the loan outstanding or fair market value of the property, which was $2.9 million at March 31, 1992. The property was sold by the borrower in 1991, and the new owner is in the process of completing construction and securing leases. In accordance with accounting rules, the property will be carried in other real estate and no interest income will be recognized until the borrower has reached a cumulative investment in the property, which will be 10-20% of the fair value, depending on the borrower meeting certain requirements.

During 1991, the Bank foreclosed on a commercial property with an outstanding loan balance of $1.1 million. The property is being carried in other real estate at its estimated fair market value of $947,000. The Bank has leased a portion of the property, and is considering offers for its sale. Details have not been finalized. Management does not anticipate incurring any material losses on this property.

Additionally, management placed a commercial loan for $700,000 in other real estate at December 31, 1991. The Bank was given the deed to the property in lieu of foreclosure. The Bank is considering offers to purchase the property, but details have not been finalized. The Bank subsequently wrote the property down by $75,000 in April, to its estimated sales price. Management does not anticipate any further losses on this property.

RECENT EVENT

Management was informed in early May that a commercial loan customer was experiencing severe cash flow difficulties and would be unable to comply with the terms of the loan agreement. The loan balance, which is current through April 1992, is approximately $2.2 million, and is secured by all of the common stock of two separate subsidiaries of the borrower. The customer has notified the Bank that it is negotiating the sale of one of the

subsidiaries, with all proceeds assigned to the Bank. Management believes it may have difficulty collecting the full loan amount; however, there is not sufficient information available to reasonably estimate the amount of loan write-down, if any.

In each quarter, or more frequently as necessary, management evaluates the problems and potential losses in the loan portfolio. This evaluation is reflected in the allowance for loan losses and the quarterly provision for loan losses.

At March 31, 1992, there were no significant loans which were not disclosed in the above schedule where known information about possible credit problems of borrowers causes management to have serious doubts as to the ability of the borrower to comply with present loan repayment terms and which, in management's judgment, may result in disclosure of such loans in the schedule above. Furthermore, management is not aware of any potential problem loans, except for those described above, which could have a material affect on the company's operating results, liquidity, or capital resources.

The Bank grants loans to customers who reside primarily in Macomb County and Metropolitan Detroit. Although the Bank has a diversified loan portfolio, a substantial portion of its debtors' ability to honor their contracts is dependent upon the automotive economic sector. Additionally, at March 31, 1992, the Bank had $59,938,000 in residential real estate loans which are for single family homes secured by mortgages. In addition, the Bank had $27,224,000 in loans at March 31, 1992 relating to the boat and marina industry, either in the form of installment loans for boats or in commercial loans to marinas. Generally, the loans are secured by the underlying equity in the boats or marinas.

Property and Equipment has increased 28.2%, or $3.1 million, to $14.1 million at March 31, 1992, from $11.0 million at March 31, 1991. This increase is primarily due to the construction of the Chesterfield and Dodge Park branches, and construction of the Corporation's Financial Center, which opened in 1991.

During the three months ended March 31, 1992, total liabilities increased by 1.9%, or $7.6 million, to $404.6 million, as compared to $397.0 million at December 31, 1991, and by 2.7%, or $10.8 million, over March 31, 1991. In the three months ended March 31, 1992, total deposits increased 2.2%, or $8.3 million, to $390.4 million. This increase was primarily due to increases in interest bearing demand deposits and savings deposits of $5.8 million and $4.5 million, respectively. These were partially offset by a decrease in time deposits of $2.9 million, to $151.0 million. During the twelve months ended March 31, 1992, total deposits have increased 3.5%, or $13.1 million. In this period, interest bearing demand deposits increased by 22.2%, or $19.1 million, and savings deposits have increased by $6.5 million, or 9.7%. Time deposits have decreased 9.4%, or $15.6 million, primarily in the greater than $100,000 category. The decreases in time deposits are due largely to falling rates throughout the past twelve months, while lower rates also contributed to the increases in savings and interest

bearing demand deposits, as customer funds shifted toward more liquid accounts.

Stockholders' equity reflects the 5% stock dividend which was declared on March 25, 1992 to shareholders of record on April 15, 1992, payable May 6, 1992. The stock dividend will be issued primarily from the treasury stock owned by the Corporation, with some new shares also being issued. Fractional shares will be paid in cash at that time.

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FIRST NATIONAL BANK CORP.
FORM 10-Q (continued)

Average Balance Sheet

	Three Months Ended March 31,					
	1992			1991		
	Average Balance	Interest Income/ Expense	Average Rate Earned/ Paid	Average Balance	Interest Income/ Expense	Average Rate Earned/ Paid
Assets:						
Federal funds sold	$2,865,934	$28,558	3.99%	$3,735,100	$57,143	6.12%
Investment securities:						
United States Treasury	8,295,864	156,101	7.53	3,972,184	81,991	8.26
United States Government agencies	36,670,987	745,528	8.13	38,569,077	806,190	8.36
Municipal obligations	48,841,525	1,121,161	9.18	44,710,738	991,094	8.87
Other Securities	831,859	4,780	2.30	1,328,974	13,651	4.11
Loans & leases	287,687,268	6,546,772	9.10	288,018,653	7,580,544	10.53
Total Earning Assets/Total Interest Income	385,201,437	8,602,900	8.93%	380,334,724	9,530,613	10.02%
Cash & due from banks	24,407,731			20,393,550		
All other assets	19,845,092			16,203,983		
Total Assets	429,454,260			416,932,259		
Liabilities & Stockholders' Equity						
Deposits:						
Demand-interest bearing	107,128,876	985,116	3.68%	85,941,077	1,154,897	5.38%
Savings	70,459,723	634,653	3.60	64,652,251	807,538	5.00
Time	150,378,901	2,135,233	5.68	167,175,087	3,065,467	7.33
Federal funds purchased	415,385	4,233	4.08	1,168,817	20,149	6.90
Short term borrowings	1,098,658	15,332	5.58	1,142,868	26,499	9.27
Long term debt	9,456,011	213,714	9.04	9,819,734	224,543	9.15
Total Interest Bearing Liabilities/Total Interest Expense	338,937,554	3,988,281	4.71%	329,899,834	5,299,093	6.43%
Demand deposits	58,693,192			55,951,124		
All other liabilities	4,006,647			5,183,892		
Stockholders' Equity	27,816,867			25,897,409		
Total Liabilities & Stockholders' Equity	$429,454,260			$416,932,259		
Interest Spread (Average Rate Earned Minus Average Rate Paid)			4.22%			3.59%
Net Interest Income (FTE)		$4,614,619			$4,231,520	
Net Interest Margin (FTE) (Net Interest Income/Total Earning Assets)			4.79%			4.45%

(B) Analysis of Results of Operations

ANALYSIS OF CHANGES IN NET INTEREST INCOME

The following tables, presented on a tax-equivalent basis, set forth the dollar amount of changes in net interest income for each major category of interest earning assets and interest bearing liabilities and the amount of change attributable to changes in average balances (volume) or average rates. The variances attributable to both volume and rate changes have been allocated in proportion to the relationship of the absolute dollar amount of change in each category.

	Three Months Ended March 31, 1992 vs. 1991		
	Increase (Decrease) Due to Changes In		
	Total	Volume	Rate
	(in thousands)		
Earning assets - Interest income:			
Federal funds sold	($28)	($13)	($15)
Investment Securities:			
United States Treasury	74	89	(15)
United States Government agencies	(61)	(40)	(21)
Municipal obligations	130	92	38
Other securities	(9)	(5)	(4)
Loans and leases	(1,034)	(9)	(1,025)
Total	(928)	114	(1,042)
Deposits and borrowed funds - Interest expense:			
Deposits:			
Demand - interest bearing	(170)	285	(455)
Savings	(173)	72	(245)
Time	(930)	(308)	($22)
Federal funds purchased	(16)	(13)	(3)
Short term borrowings	(11)	(1)	(10)
Long term debt	(11)	(8)	(3)
Total	(1,311)	27	(1,338)
Tax-Equivalent Margin - Income on earning assets less interest cost of deposits and borrowed funds	$383	$87	$296

FIRST NATIONAL BANK CORP.
FORM 10-Q

For the three months ended March 31, 1992, net interest income, on a fully tax-equivalent basis (FTE) increased 9.1%, or $383,000, to $4,615,000, as compared to $4,232,000 for the same period one year ago. The net interest margin also increased, to 4.79% for the three months ended March 31, 1992, as compared to 4.45% for the same period one year ago. This increase in the net interest margin is largely due to a decline in rates on interest bearing liabilities which was proportionately faster than the fall in rates on interest earning assets.

AVERAGE STATEMENTS OF CONDITION

The following tables show FNB Corp.'s consolidated average balances of assets, liabilities, and stockholders' equity, the amount of tax-equivalent interest income or interest expense, the average yield or rate for each category of interest earning asset and interest bearing liability, FNB Corp.'s net interest spread and FNB Corp.'s net interest margin; for the three months ended March 31, 1992 and 1991. Non-performing loans are included in average loans. Interest on loans and leases includes loan fees. Non-taxable income from investment securities and loans is presented on a fully tax-equivalent basis assuming a 34% federal tax rate.

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FIRST NATIONAL BANK CORP.
FORM 10-Q (continued)
NET INCOME

Net income for the first quarter ended March 31, 1992 increased to $744,000, from $723,000 for the same period one year ago.

Net interest income increased 8.3%, or $327,000, to $4,255,000 for the three months ended March 31, 1992, as compared to $3,928,000 for the same period one year ago. Primarily responsible for this increase was a decrease in rates on interest bearing liabilities which was proportionately faster than the decrease in rates on interest earning assets. The provision for loan and lease losses, meanwhile, increased by $75,000, to $400,000 for the three months ended March 31, 1992, as compared to $325,000 for the same period one year earlier. The provision for loan and lease losses was increased in order to provide for the economy, which continued to show signs of weakness. This brought net interest income after the provision for loan and lease losses to $3,855,000 for the quarter ended March 31, 1992, as compared to $3,603,000 for the same period one year earlier.

Non-interest income decreased 17.4%, or $167,000, to $793,000. This was primarily due to a gain of $206,000, recognized in 1991, on the sale of land adjacent to the new Financial Center.

Also partially offsetting the increase in net interest income was an increase in non-interest expense of 12.3%, or $463,000, to $4,230,000 for the three months ended March 31, 1992. Partly responsible for the increase in non-interest expense were increases in occupancy and equipment expense of $170,000, due to increased building and equipment depreciation, FDIC assessments due to the new assessment rates which were part of the S & L bailout legislation, and consulting expense due to work on the Corporation's current strategic planning process. Nearly all of the increases in non-interest expense, including a $188,000 increase in wages and benefits, continue to be related to growth of the Corporation and expansion of the bank's branch network.

Income before taxes and the cumulative effect of an accounting change decreased by $377,000, to $419,000 for the three months ended March 31, 1992, as compared to $796,000 for the period one year earlier. The Corporation recognized a credit for federal income taxes of $94,000 in 1992, since a large portion of interest income is from non-taxable municipal obligations. In the first quarter of 1991, income tax expense was $73,000. Additionally, the Corporation recognized a one-time gain of $231,000 in 1992, from the "cumulative effect of a change in accounting principle." The gain represents the realization of net deferred tax assets, as the Corporation implemented SFAS No. 109, "Accounting for Income Taxes." This brought year-to-date net income to $744,000 for the three months ended March 31, 1992, as compared to $723,000 for the same period one year earlier.

SUMMARY OF LOAN AND LEASE LOSS EXPERIENCE

The following table summarizes loan balances at the end of each period and daily averages; changes in the allowance for loan and lease losses arising from loans charged off and recoveries on loans previously charged off, by loan category; and additions to the allowance which have been charged to expense.

	Three Months Ended March 31,	
	1992	1991
	(in thousands)	
Average loans and leases outstanding.....	$287,687	$288,019
Total loans and leases at period end.....	$287,247	$289,594
Allowance for loan and lease losses at beginning of period.....	$4,038	$3,545
Charged Off:		
Residential real estate.....	----	----
Commercial.....	55	----
Installment.....	114	126
Total.....	169	126
Recoveries on loans previously charged off:		
Residential real estate.....	---	----
Commercial.....	6	6
Installment.....	32	51
Total.....	38	57
Net loans charged off.....	131	69
Provision charged to expense.....	400	325
Allowance for loan and lease losses at end of period.....	$4,307	$3,801
Annualized ratio of net charge-offs during the period to average loans outstanding...	0.18%	0.10%
Allowance for loan and lease losses as a percentage of loans and leases at period end.....	1.50%	1.31%

In each accounting period, the allowance for loan and lease losses is adjusted by management to the amount necessary to maintain the allowance at adequate levels. Through its internal loan review department, management has attempted to allocate specific portions of the allowance for loan losses based on specifically identifiable problem loans. Management's evaluation of the allowance is further based on consideration of actual loss experience, the present and prospective financial condition of borrowers, industry concentrations within the portfolio and general economic conditions. Presently, management believes that the allowance is adequate based on its review of all problem and past due loans in its portfolio.

The primary risk element considered by management with respect to each installment and residential real estate loan is lack of timely payment. Management has a reporting system that monitors past due loans and has adopted policies to pursue its creditor's rights in order to preserve the Bank's position. The primary risk elements with respect to commercial loans are the financial condition of the borrower, the sufficiency of collateral and lack of timely payment. Management has a policy of requesting and reviewing annual financial statements from its commercial loan customers and periodically reviews existence of collateral and its value.

Although management of the Bank believes that the allowance for loan and lease losses is adequate to absorb losses as they arise, there can be no assurance that the Bank will not sustain losses in any given period which could be substantial in relation to the size of the allowance for loan and lease losses.

LIQUIDITY AND ASSET/LIABILITY MANAGEMENT

The liquidity of a banking institution reflects its ability to provide funds to meet loan requests, to accommodate possible outflows in deposits and to take advantage of interest rate market opportunities. Funding of loan requests, providing for liability outflows, and management of interest rate fluctuations require continuous analysis in order to match the maturities of specific categories of short-term loans and investments with specific types of deposits and borrowings. Bank liquidity is thus normally considered in terms of the nature and mix of the banking institution's sources and uses of funds. For FNB Corp., the major sources of liquidity have been federal funds sold, and loans (including demand loans) and investment securities maturing within one year. At March 31, 1992 and 1991, federal funds sold amounted to $500,000 and $600,300, respectively, and loans (including demand loans) and investment securities maturing within one year amounted to $92.4 million at March 31, 1992, and $102.9 million at March 31, 1991. The balances of the certificates of deposit of $100,000 and over were $59.2 million and $75.0 million at March 31, 1992 and 1991, respectively.

Closely related to the concept of liquidity is the management of interest earning assets and interest bearing liabilities, which focuses on maintaining stability in the net interest spread, an important factor in earnings growth and stability. Emphasis is placed on maintaining a controlled rate sensitivity position to avoid wide swings in spreads and to minimize risk due to changes in interest rates.

The following table sets forth the cumulative rate sensitivity of FNB Corp.'s interest earning assets and interest bearing liabilities as of March 31, 1992. This table displays FNB Corp.'s interest rate sensitivity gap (i.e., interest rate sensitive assets less interest rate sensitive liabilities), FNB Corp.'s cumulative interest rate sensitivity gap, FNB Corp.'s interest rate sensitivity gap ratio (i.e., interest rate sensitive assets divided by interest rate sensitive liabilities) and FNB Corp.'s cumulative interest rate sensitivity gap ratio. For the purposes of the following table, an asset or liability is considered rate sensitive within a specified period when it matures or could be repriced within such period, in accordance with its contractual terms.

RATE SENSITIVITY OF INTEREST EARNING ASSETS
AND INTEREST BEARING LIABILITIES
MARCH 31, 1992
(in thousands)

	WITHIN THREE MONTHS	AFTER THREE MONTHS BUT WITHIN SIX MONTHS	AFTER SIX MONTHS BUT WITHIN ONE YEAR	AFTER ONE YEAR BUT WITHIN FIVE YEARS	AFTER FIVE YEARS	TOTAL
Interest earning assets:						
Federal funds sold	$500	----	----	----	----	$500
Loans	181,021	$4,800	$11,061	$50,110	$40,250	287,242
Investment securities	5,487	4,800	2,745	42,979	46,452	102,463
Total	187,008	9,600	13,806	93,089	86,702	390,205
Interest bearing liabilities:						
Interest bearing demand deposits	67,431	----	----	37,871	----	105,302
Savings	----	----	----	----	73,203	73,203
Time > $100,000	47,115	9,595	1,852	605	----	59,167
Time < $100,000	37,155	19,483	12,575	21,848	749	91,810
Borrowed funds	1,100	----	----	----	60	1,160
Long term debt	----	----	----	----	9,282	9,282
Total	152,801	29,078	14,427	60,324	83,294	339,924
Interest rate sensitivity	34,207	(19,478)	(621)	32,765	3,408	50,281
Cumulative interest rate sensitivity gap	$34,207	$14,729	$14,108	$46,873	$50,281	$50,281
Interest rate sensitivity gap ratio	1.22 x	0.33 x	0.96 x	1.54 x	1.04 x	1.15 x
Cumulative interest rate sensitivity gap ratio	1.22 x	1.08 x	1.07 x	1.18 x	1.15 x	1.15 x

The table above indicates the time periods in which interest earning assets and interest bearing liabilities will mature or may be repriced in accordance with their contractual terms. However, this table does not necessarily indicate the impact of general interest rate movements on FNB Corp.'s net interest yield because the repricing of various categories of assets and liabilities is discretionary and is subject to competitive and other pressures. As a result, various assets and liabilities indicated as repricing within the same period may in fact price at different times and at different rate levels.

At March 31, 1992, FNB Corp. is considered "asset sensitive" according to the table above. This indicates that in a rising rate environment, FNB Corp. may be able to raise prices on earning assets faster than the interest costs it pays for liabilities.

FNB Corp. has also been granted approval for a branch to be established at the north-west corner of Metropolitan Parkway (16 Mile) and Dodge Park roads in Sterling Heights. The total cost of this facility is estimated to be $1.2 million, of which approximately $961,000 has already been paid.

Part II - OTHER INFORMATION

Item 1. Legal Proceedings

As a depository of funds, the Bank is occasionally named as a defendant in lawsuits (such as garnishment proceedings) involving claims to the ownership of funds in particular accounts. All such litigation is incidental to the business.

The Bank, together with James Tamer, Kathleen Tamer and Mae Ellen George, were named as defendants in an action commenced by Woodrow W. and Anna Woody in the Circuit Court for Macomb County, Michigan, on December 5, 1983. The plaintiffs sought damages from the defendants in an aggregate amount of not less than $2,650,000, and claimed breach of contract, tortious interference with contractual and business relations, and conspiracy. The Bank counterclaimed against Woodys, seeking damages in excess of $10,000 and claiming misrepresentation, mistake, failure of consideration, economic duress and unjust enrichment. The remaining defendants also filed a counterclaim against Woodys, seeking damages in excess of $10,000 based upon misrepresentation and breach of contract. Motions for summary disposition filed by the Bank and the other defendants were granted, and Woodys appealed that decision. On April 22, 1992, the Michigan Court of Appeals ruled that the trial court properly granted summary disposition. Although the possibility of another appeal exists, it must be filed within 20 days, and thus it appears unlikely. Management of the Bank has been advised by its special counsel that based upon its investigation to date, it does not believe that the Bank is likely to be liable for damages in any material amount.

The Corporation's management believes that no other litigation is threatened or pending in which the Corporation, or any of its subsidiaries, is likely to experience loss or exposure which would materially affect the Corporation's stockholders' equity or financial position as presented herein.

Item 2. Changes in Securities.

Not applicable.

Item 3. Defaults Upon Senior Securities.

Not applicable.

Item 4. Submission of Matters to a Vote of Security Holders.

Not applicable.

Item 5. Other Information.

Not applicable.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits:

(11) Earnings Per Share Calculation.

(20) Report furnished to Security Holders.
First Quarter Report dated March 31, 1992

(b) Reports on Form 8-K

No reports on Form 8-K have been filed during the quarter for which this report is filed.

10-Q\signat

FIRST NATIONAL BANK CORP.
FORM 10-Q (continued)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

FIRST NATIONAL BANK CORP.

(Registrant)

By: _____
Harold W. Allmacher
President & C.E.O.
(Principle Executive Officer)

By: _____
Richard J. Miller
Treasurer
(Principle Financial & Accounting Officer)

DATE: May 14 1992

EXHIBIT INDEX

The following constitute the exhibits to the Quarterly Report on Form 10-Q of the Corporation for the period ended March 31, 1992:

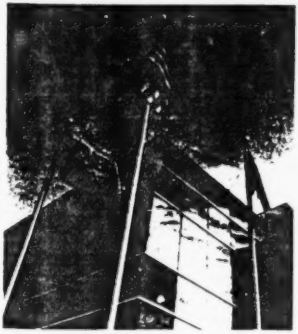
EXHIBIT NUMBER	EXHIBIT	SEQUENTIAL PAGE NUMBER
(11)	Statement of Computation of Per Share Earnings	—
(20)	Quarterly Report of the Registrant to its Shareholders for the quarter ended March 31, 1992	—

EXHIBIT (11)
1992 EARNINGS PER SHARE CALCULATION
PRIMARY AND FULLY DILUTED E.P.S.

	THREE MONTHS ENDED MARCH 31,	
PRIMARY EARNINGS PER SHARE:	1992	1991
INCOME BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	512,508	723,142
/ WEIGHTED AVERAGE SHARES	1,269,963	1,263,420
PER SHARE	$0.40	$0.57
CUMULATIVE EFFECT OF ACCOUNTING CHANGE	231,000	---
/ WEIGHTED AVERAGE SHARES	1,269,963	1,263,420
PER SHARE	$0.18	$0.00
PRIMARY NET INCOME PER SHARE	$0.58	$0.57
FULLY DILUTED EARNINGS PER SHARE:		
INCOME BEFORE CUMULATIVE EFFECT OF ACCOUNTING CHANGE	608,939	823,954
/ WEIGHTED AVERAGE SHARES	1,605,760	1,612,666
PER SHARE	$0.38	$0.51
CUMULATIVE EFFECT OF ACCOUNTING CHANGE	231,000	---
/ WEIGHTED AVERAGE SHARES	1,605,760	1,612,666
PER SHARE	$0.14	$0.00
FULLY DILUTED NET INCOME PER SHARE	$0.52	$0.51

Prior year number of shares in each category were increased to give effect to the 1992 5% stock dividend.

Exhibit (20)
First Quarter Report to Shareholders
as of March 31, 1992



FNBC
FIRST NATIONAL BANK CORP.

First Quarter Report March 31, 1992

Headquarters

First National Bank Corp.
18800 Hall Road, P.O. Box 248
Mount Clemens, MI 48046-0248
(313) 465-2400

First National Bank Corp. Stock

The common stock of First National Bank Corp. is traded in the over-the-counter National Market System of NASDAQ. The Corporation's NASDAQ ticker symbol, "MTCL," is represented in The Wall Street Journal as "FstNtlBkMI". The Corporation has 1,249,225 shares of $3.125 par value common stock issued and outstanding.

First National Bank Corp

Financial Highlights

(in thousands, except per share data)

First Quarter Ended March 31. (Fiscal year-to-date information is identical)	1992	1991
Net Income	$744	$725
Average Total Assets	$429,454	$416,932
Average Loans & Leases	$287,687	$288,019
Average Deposits	$386,661	$373,720
Average Common Stockholders' Equity	$27,817	$25,897
Primary Earnings Per Share	$0.58	$0.57
Fully Diluted Earnings Per Share	$0.52	$0.51
Dividends Per Share	$0.24	$0.18
Book Value Per Share	$22.34	$19.60
Primary Average Shares	1,269,963	1,263,920
Fully Diluted Average Shares	1,603,760	1,612,668
Return on Average Common Equity	10.69%	11.17%
Return on Average Assets	0.69%	0.69%
Tier I Capital to Risk-Based Assets at Period End	8.79%	8.24%
Total Capital to Risk-Based Assets at Period End	12.99%	12.53%
Non-Performing Loans as a Percent of Loans & Leases	1.69%	2.01%

First National Bank Corp

Message to Stockholders

April 30, 1992

Dear Stockholder:

We started the year on a positive note, with improved earnings for our first quarter, the three months ended March 31, 1992.

Our net income for the quarter was $744,000, or $0.58 per share, up nearly 3% from net income of $723,000, or $0.57 per share, for last year's first quarter. Fully diluted net income per share was $0.52, compared with $0.51 per share the year before.

Our net interest income for the quarter rose 8%, to $4,255,000, from $3,928,000 a year ago. The provision for loan and lease losses was $400,000 in 1992, compared with $325,000 in 1991.

Non-interest income declined $167,000, to $793,000, from last year's first quarter. The decrease was due largely to a one-time gain of $206,000, recognized in 1991's first quarter on the sale of a parcel of land.

For the quarter, non-interest expense was $4,230,000, an increase of $463,000 over the previous year. The increase is due primarily to our continued growth and the operation of two additional branches. We recognized an income tax credit of $94,000 during the quarter, reflecting the large portion of our interest income that is from non-taxable municipal obligations. In 1991, federal income tax expense was $73,000.

We also recognized a one-time gain of $231,000, resulting from the cumulative effect of a change in accounting principle. This is related to Statement of Financial Accounting Standards No. 109, which required a change in the method of accounting for income taxes.

At the close of the quarter, we had assets of $432.5 million, an increase of 3%, or $12.7 million, over assets of $419.8 million at the close of 1991's first quarter. Total loans decreased to $287.2 million, as a result of the sale of our credit card portfolio in November, 1991.

In recognition of our positive first quarter results, your Board of Directors declared a special 5% stock dividend, payable beginning May 6, 1992 to stockholders of record April 15, 1992. This is the fifth consecutive year for a special stock dividend payout. A letter was mailed to all stockholders explaining the stock dividend.

At March 31, 1992, the Corporation had 1,249,225 shares of commmon stock issued and outstanding.

Arie Guldemond
Chairman of the Board

Harold W. Allmacher
President &
Chief Executive Officer

First National Bank Corp

Consolidated Balance Sheets (Unaudited) as of:

Assets	
Cash and due from banks	
Federal funds sold	
Total Cash and Cash Equivalents	
Investment securities (1):	
United States Treasury	
United States Government agencies	
Municipal obligations	
Other securities	
Total Securities	
Loans and lease financing:	
Residential real estate	
Commercial	
Installment	
Lease financing	
Total Loans and Lease Financing	
Allowance for loan and lease losses	
Net Loans and Lease Financing	
Property and equipment (net of depreciation)	
Accrued interest receivable	
Other real estate	
Other assets	
Total Assets	
Liabilities and Stockholders' Equity	
Deposits:	
Demand:	
Non-interest bearing	
Interest bearing	
Savings	
Time	
Total Deposits	
Short term borrowings	
Other liabilities	
Long term debt	
Total Liabilities	
Stockholders' Equity	
Common Stock—$3.125 par value; 8,000,000 shares authorized, 1,249,225 shares issued and outstanding at March 31, 1992; 1,191,307 shares outstanding at Dec. 31, 1991, and 1,202,865 shares outstanding at March 31, 1991.	
Surplus	
Retained earnings – o –	
Treasury Stock—[redacted] shares at March 31, 1992; 28,254 shares at Dec. 31, 1991, and 5,921 shares at March 31, 1991.	
Total Stockholders' Equity	
Total Liabilities and Stockholders' Equity	

(1) Investment securities of $3,260,000 were pledged at March 31, 1992 to secure public funds on deposit, and for other purposes required by law.

March 31, 1992	December 31, 1991	March 31, 1991
$21,249,134	$21,840,168	$20,268,217
500,000	4,000,000	600,000
21,749,134	25,840,168	20,868,217
12,287,740	7,072,582	3,975,022
40,550,215	35,759,866	39,862,648
48,844,447	48,694,319	47,885,124
780,625	862,845	1,233,387
102,463,027	92,389,612	92,956,181
59,937,587	63,506,075	65,425,136
168,466,940	162,104,961	153,977,158
58,515,095	60,907,327	69,750,791
322,240	377,424	440,549
287,241,862	286,895,787	289,593,634
(4,306,849)	(4,038,314)	(3,801,266)
282,935,013	282,857,473	285,792,368
14,069,092	13,649,134	11,004,936
3,451,564	2,941,956	3,925,625
4,559,394	4,354,870	2,456,631
3,279,541	2,480,253	2,751,193
$432,506,765	$424,513,446	$419,755,149
$60,903,336	$60,017,899	$57,792,552
105,302,042	98,484,300	86,182,866
75,203,155	68,726,613	66,714,721
150,977,049	153,844,356	166,606,175
390,385,582	382,073,168	377,296,314
1,100,000	1,100,000	1,998,619
3,825,301	4,236,374	4,714,056
9,282,000	9,597,000	9,762,000
404,592,883	397,006,542	393,770,989
3,903,828	3,811,128	3,777,456
10,103,239	9,360,752	9,159,123
13,906,815	14,718,273	13,148,728
—	(583,249)	(101,147)
27,913,882	27,506,904	25,984,160
$432,506,765	$424,513,446	$419,755,149

(2) The 1991 financial statements have been reclassified to reflect the classifications used for the 1992 financial statements.

First National Bank Corp

Consolidated Statements of Income
(Unaudited)

Interest Income:
Loans and leases (including fees)
Investment Securities:
United States Treasury
United States Government agencies
Municipal obligations
Other securities
Federal funds sold
Total Interest Income
Interest Expense:
Deposits
Federal funds purchased
Short term borrowings
Long term debt
Total Interest Expense
Net Interest Income
Provision for loan and lease losses
Net Interest Income after Provision for Loan and Lease Losses
Non-Interest Income:
Service charges on deposit accounts
Investment security gains (losses)
Other income
Total Non-Interest Income
Non-Interest Expense:
Salaries, benefits, and payroll taxes
Occupancy
Equipment
Other operating expense
Total Non-Interest Expense
Income Before Taxes and Cumulative Effect of Change in Accounting Principle
Income tax expense (credit)
Income Before Cumulative Effect of Change in Accounting Principle
Cumulative effect of change in accounting principle
Net Income
Per share data:
Primary earnings per share
Fully diluted earnings per share
Cash Dividends

Three Months Ended March 31 (Fiscal year-to-date information is identical)	
1992	1991
$6,532,874	$7,566,451
156,101	81,991
745,528	806,190
775,565	701,848
4,780	13,651
28,558	57,143
8,243,406	9,227,274
3,755,002	5,027,902
4,233	20,149
15,332	26,499
213,714	224,543
3,988,281	5,299,093
4,255,125	3,928,181
400,000	325,000
3,855,125	3,603,181
558,061	493,692
82,556	3,988
152,875	462,866
793,492	960,546
1,775,180	1,587,557
424,639	358,683
394,031	355,173
1,636,259	1,466,172
4,230,109	3,767,585
418,508	796,142
(94,000)	73,000
512,508	723,142
231,000	—
$743,508	$723,142
$0.58	$0.57
$0.52	$0.51
$0.24	$0.18

First National Bank Corp

Board of Directors

Harold W. Allmacher
President and Chief Executive Officer, First National Bank Corp.; Chairman of the Board, President and Chief Executive Officer, First National Bank in Macomb County

Dr. Raymond M. Contesti
Superintendent, Clintondale Community Schools; Chairman, MCG Telesis, Inc.

James T. Creaswell
President, Oakland General Underwriters

Arie Guldemond
Chairman of the Board, First National Bank Corp.; President, United Bulb Co.

Celestina Giles
Bank Officer - Executive Department
First National Bank in Macomb County

Frank E. Jeannette
Attorney at Law

John D. Madigan
Retired President, Oakland Gas & Oil Co.

David A. McKinnon
Attorney, Hardy, Lewis, Pollard & Page, P.C.

Dr. Robert Morrison
Dentist

John J. Mulso
Retired Undersheriff, Macomb County Sheriff's Department

Glen D. Schmidt
President, Star Gasket Corporation

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